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## GENERAL

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1. No progress made in London meetings on Kashmir—A British official has informed US Embassy London that no progress was made toward solution of the Kashmir problem during the recent London Conference attended by Prime Ministers Attlee, Nehru, Liaquat, and other leaders of Commonwealth countries. The official made it clear that in his judgment the failure was primarily the result of Nehru's intransigence although he balanced this to some extent by pointing out that public agitation in Pakistan and the resulting uncertainty concerning Liaquat's attendance had created an unfavorable atmosphere for the conversations. Indicating that the bulk of these talks had centered around demilitarization, with some attention being given to a possible plebiscite, the British official said that action by the Security Council is clearly the next step toward solution of the Kashmir problem.

Meanwhile, Prime Minister Menzies of Australia has expressed to US Ambassador Gifford his "very grave concern" over the failure to reach agreement, placing the blame squarely on Nehru. According to Gifford, Menzies was "most apprehensive" that continuance of the impasse will lead to a resumption of communal strife and perhaps to war between Indian and Pakistan.

## **EUROPE**

2. THE NETHERLANDS: Attitude toward European defense—In a discussion with a US official regarding the Dutch attitude toward European defense problems, a Dutch representative on the NATO Council remarked on the "public and official complacency" which is to be found in the Netherlands. He felt there had been too great a desire on the part of the Dutch

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to relax and to hide behind their view both that France and Belgium would not really fulfill their defense commitments and that the US exaggerated what it was doing. The Dutch official expressed the view, however, that Dutch groups working to develop a sense of urgency in the government had been making some progress.

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3. YUGOSLAVIA: Closer ties with European Socialists sought--US Ambassador Allen in Belgrade views the forthcoming visit to London of a Yugoslav parliamentary delegation as a step in Yugoslav efforts both to establish closer liaison with Western European Socialist parties, especially the British Labor Party, and to make the Yugoslav Parliament a functioning institution. Allen points out that the Yugoslavs took the initiative in arranging this visit and that during the last six months the Yugoslav Communist Party has been shifting more and more of its appeal to Social-Democrats rather than to splinter Communist groups. He expresses the opinion that the Yugoslav Government is seeking, through the formation of close ties with Social-Democratic parties, to create a stable foundation on which to base continuing friendship with Western states in the event that Yugoslavia's strategic value to the West should decline. Allen notes, however, that although the Yugoslav Government seems anxious to develop closer ties with Socialist parties for cooperation on international problems, Socialist ideas regarding internal management are still not acceptable to the Yugoslavs.